

VZCZCXRO0587
PP RUEHBC RUEHDE RUEHIHL RUEHKUK RUEHMOS
DE RUEHMK #0936/01 1500609
ZNY CCCCC ZZH
P 300609Z MAY 06
FM AMEMBASSY MANAMA
TO RUEHC/SECSTATE WASHDC PRIORITY 4822
INFO RUCNRAQ/IRAQ COLLECTIVE
RHBVAKS/COMUSNAVCENT
RHMFISS/HQ USCENTCOM MACDILL AFB FL

C O N F I D E N T I A L SECTION 01 OF 02 MANAMA 000936

SIPDIS

SIPDIS

E.O. 12958: DECL: 05/29/2016
TAGS: [PREL](#) [PGOV](#) [PHUM](#) [IR](#) [IZ](#) [BA](#) [OFFICIALS](#) [BILAT](#)
REGION, POL
SUBJECT: DPM SHAIKH MOHAMMED DISCUSSES IRAN, IRAQ, NDI WITH
AMBASSADOR

Classified By: Ambassador William T. Monroe. Reasons: 1.4 (b)(d)

11. (C) Summary. In a May 29 meeting with the Ambassador, DPM Shaikh Mohammed welcomed continued dialogue on Iran, saying it would be vital to get as accurate intelligence as we can on Iran's nuclear program. On Iraq, he urged that new Iraqi ministers make a greater effort to reach out to their Bahraini and GCC counterparts to look for areas of cooperation and help counter the steady stream of bad news that Gulf citizens receive daily via television and newspapers. He said that Bahraini ministers were reluctant to travel to Baghdad until the security situation improved. On NDI's recent closing in Bahrain, he put the blame squarely on NDI's local director, saying that -- from the government's perspective -- he focused his efforts on supporting the opposition, not on developing democracy. Shaikh Mohammed discussed the 2007-08 national budget, noting its stress on housing, efficient government (notably e-government), and vocational education. Everyone recognizes that "we have broken the back of the unemployment problem," he stated. End summary.

12. (C) Deputy Prime Minister Shaikh Mohammed bin Mubarak Al-Khalifa opened the May 29 meeting with the Ambassador by expressing his regret that he was not able to meet with the delegation headed by PM Assistant Secretary Hillen and Principal Deputy Undersecretary of Defense Henry during their May 14 visit to Bahrain. He had been briefed by Crown Prince Shaikh Salman on the discussions, and welcomed continued exchanges between our two countries in the coming months on Iran. The Ambassador said that he expected we would have a regular flow of visitors interested in discussing Iran in the coming months, and hoped to launch a more formal Gulf Security Dialogue with countries in the region. Shaikh Mohammed welcomed this, adding that it would be important to work together to avoid the two worst-case scenarios -- Iran getting a nuclear weapon capability or war to prevent that from happening. As we move forward, he added, it will be vital to get as much accurate intelligence as we can about what Iran is really up to.

13. (C) On Iraq, the Ambassador expressed surprise that Bahrain had not publicly welcomed the announcement of the new Iraqi government. Shaikh Mohammed, who is no longer Foreign Minister, was not sure why there had been no statement of welcome, but said that we should not read any significance in that. "Every step of the way," he said, "Bahrain had welcomed positive moves in Iraq." He urged that the new Iraqi leadership and ministers make a greater effort to reach out and contact their Bahraini and Gulf counterparts. It did not make sense that Iranian ministers have been much more active and aggressive than Iraqi ministers in contacting their Bahraini colleagues. With the formation of the new government in Iraq, the new ministers should come to the Gulf

to help build confidence in the new Iraq. They should contact Bahraini ministers and tell them what they need.

14. (C) Bahrainis, Shaikh Mohammed continued, do not know what to believe about Iraq, basing all their information on television and news reports. "All we hear are the bad things, but if Iraqi ministers come to Bahrain they can tell the people that there is more happening in Iraq than what they read in the newspapers." As for Bahraini ministers traveling to Baghdad, Shaikh Mohammed was more cautious. Citing the attempted kidnapping and wounding of the Bahraini charge d'affaires last year, and the recent kidnapping of a UAE diplomat, he said Bahraini ministers were extremely reluctant to go to Baghdad. "No," he stated, "the Iraqis should come to us." The Ambassador urged that Bahrain look for opportunities to invite Iraqi officials to Bahrain.

15. (C) The Ambassador asked Shaikh Mohammed for his views on the NDI problem (recent closing of the NDI office in Bahrain and departure of the office's director) and the way forward. Shaikh Mohammed said that, unfortunately, NDI got off on the wrong foot in Bahrain from the beginning when it established itself in an irregular manner through the palace. Then, it sent to Bahrain the wrong person, who from the point of view of the government focused his efforts on supporting the opposition, not on developing democracy. When Bahrain set up its own organization to promote democracy (Bahrain Institute for Political Development), NDI's director was unable to work with it. Shaikh Mohammed said that Bahrain should have tried to remove the NDI director a long time ago. "We believe as a government that he was the source of the problem. He took sides. He was not helping."

16. (C) Asked how we should move forward, Shaikh Mohammed said that he was not directly involved in the issue, but suggested

MANAMA 00000936 002 OF 002

that NDI send a new person out to discuss and work out arrangements.

17. (C) As Deputy Prime Minister for Ministerial Committee Affairs, Shaikh Mohammed has played an active role in helping prepare the 2007-2008 national budget, which was approved by the Cabinet and forwarded to the parliament on May 28. He wanted to highlight three areas that he felt were particularly important. First, there is the emphasis on housing. Until recently, unemployment had been the major concern, and a source of recurring demonstrations, but now, he said, everyone recognizes that "we have broken the back of the unemployment problem." The focus will shift to eliminating the housing shortage. Second, a major effort will be launched to make government more efficient and productive. A key component would be serious development of e-government, something that has been talked about for years in Bahrain with little result so far. Shaikh Mohammed said he was heading a committee to push e-government, developing systems to facilitate its use, for example, with vehicle registration and payment of electricity bills, and encouraging people to actually use it. Price Waterhouse has been hired as an advisor for this project. Third, the budget will focus on education, with increased emphasis on vocational skills --something that has been seriously neglected in Bahrain.

MONROE